



General Assembly

January Session, 2017

Raised Bill No. 7255

LCO No. 5090



Referred to Committee on EDUCATION

Introduced by:
(ED)

***AN ACT ESTABLISHING A TASK FORCE TO CONDUCT A
FEASIBILITY STUDY REGARDING THE CREATION OF A SPECIAL
EDUCATION PREDICTABLE COST COOPERATIVE.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (*Effective from passage*) (a) For the purposes of this section,
2 "special education predictable cost cooperative" means a special
3 education funding mechanism that (1) aggregates special education
4 costs at the state level to compensate for volatility at the local level by
5 (A) providing predictability to local and regional boards of education
6 for special education costs, (B) maintaining current state funding for
7 special education services, (C) differentiating funding based on
8 student learning needs, (D) equitably distributing special education
9 funding, (E) providing boards of education with flexibility and
10 encouraging innovation, and (F) limiting local financial responsibility
11 for students with extraordinary needs, (2) is funded by: (A) A
12 community contribution from each school district, calculated based on
13 the number of special education students enrolled in the school district
14 and the school district's previous special education costs, with each
15 town paying the community contribution of its resident students,

16 reduced by an equity adjustment based on the town's ability to pay,
17 and (B) the state contribution, which is a reallocation of the special
18 education portion of the equalization aid grant and the excess cost
19 grant, (3) provides all school districts with some state support for
20 special education services, (4) ensures that a school district's
21 community contribution will be lower than the actual per pupil special
22 education cost of the school district, and (5) reimburses school districts
23 for one hundred per cent of their actual special education costs for a
24 fiscal year.

25 (b) There is established a task force to conduct a feasibility study
26 regarding the creation of a state special education predictable cost
27 cooperative. Such feasibility study shall include, but need not be
28 limited to, the following:

29 (1) An actuarial analysis of the special education predictable cost
30 cooperative;

31 (2) An explanation and demonstration of how (A) towns would
32 contribute to the special education predictable cost cooperative, (B)
33 towns would be compensated for special education costs under the
34 special education cost cooperative, and (C) a town's compensation
35 under the special education predictable cost cooperative would affect
36 its required contribution in the subsequent fiscal year;

37 (3) An analysis of the various models for the legal status of the
38 special education predictable cost cooperative, including, but not
39 limited to, an independent state agency, a quasi-public agency, within
40 an existing state agency a not-for-profit organization that is exempt
41 from taxation under Section 501(c)(3) of the Internal Revenue Code of
42 1986, or any subsequent corresponding internal revenue code of the
43 United States, as amended from time to time, or a private entity;

44 (4) A consideration of the governance structure of the special
45 education predictable cost cooperative, such as (A) the process for
46 nominating and selecting members of the board of directors and the

47 executive administrator for the special education cost cooperative, (B)
48 the number and composition of the members on the board of directors,
49 (C) the qualifications for an executive administrator, who would be
50 responsible for providing operational, financial and strategic support
51 to the special education predictable cost cooperative, and (D) the
52 accountability of the board of directors and executive administrator to
53 the towns participating in the special education cost cooperative,
54 including procedures for towns or boards of education to bring
55 complaints or issues before the board of directors;

56 (5) A consideration of (A) the number of staff necessary to
57 administer the special education predictable cost cooperative, (B) the
58 costs associated with the hiring and employment of such staff, and (C)
59 the funding source for hiring and employing such staff;

60 (6) An analysis of different models and sources for funding the
61 required initial capital investment for the special education predictable
62 cost cooperative, including the impact on state special education
63 funding if fifty million dollars of state funds is used for such initial
64 capital investment;

65 (7) A description of (A) a timeline for implementation of the special
66 education predictable cost cooperative, (B) key dependencies and
67 prerequisites for such implementation, such as the total number of
68 towns voluntarily participating in the special education predictable
69 cost cooperative needed for the special education predictable cost
70 cooperative to function properly or whether participation in the special
71 education predictable cost cooperative should be mandatory, and (C)
72 contingency plans for any foreseeable problems arising from the
73 implementation of the special education predictable cost cooperative;
74 and

75 (8) An identification and analysis of state and federal law that
76 would be involved in the creation and administration of the special
77 education predictable cost cooperative, including (A) whether the

78 Individuals With Disabilities Education Act, 20 USC 1400, et seq., as
79 amended from time to time, permits a state to establish a special
80 education predictable cost cooperative, (B) a framework for complying
81 with regulatory requirements, such as underwriting services, legal
82 counsel, actuarial services, investment management, accounting and
83 auditing services, and maintenance of effort prescribed by federal law,
84 and (C) the accountability of the special education predictable cost
85 cooperative to the General Assembly.

86 (c) The task force shall consist of the following members:

87 (1) A representative of the Connecticut Association of School
88 Business Officials;

89 (2) A representative of the Connecticut Association of Public School
90 Superintendents;

91 (3) A representative of the Connecticut Council of Administrators of
92 Special Education;

93 (4) A representative of the Connecticut Association of Boards of
94 Education;

95 (5) A representative of the Connecticut Captive Insurance
96 Association;

97 (6) The director of the Connecticut School Finance Project;

98 (7) A faculty member from the UConn Actuarial Science Program at
99 The University of Connecticut;

100 (8) The Commissioner of Education, or the commissioner's designee;
101 and

102 (9) The Secretary of the Office of Policy and Management, or the
103 secretary's designee.

104 (d) The first meeting of the task force shall be held not later than

105 thirty days after the effective date of this section. The chairperson of
106 the task force shall be elected from among the members at the first
107 meeting of the task force.

108 (e) Not later than January 1, 2019, the task force shall submit such
109 feasibility study and any recommendations for legislation to the joint
110 standing committees of the General Assembly having cognizance of
111 matters relating to education and appropriations and the budgets of
112 state agencies, in accordance with the provisions of section 11-4a of the
113 general statutes. The task force shall terminate on January 1, 2019.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	New section

Statement of Purpose:

To establish a task force to conduct a feasibility study regarding the creation of a state special education predictable cost cooperative.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]